

CPA 2 ON

XC14

-S 79

Legislative  
Assembly  
of Ontario



Assemblée  
législative  
de l'Ontario

---

## Official Report of Debates (Hansard)

JP-19

## Journal des débats (Hansard)

JP-19

### Standing Committee on Justice Policy

Fair Hydro Act, 2017

2<sup>nd</sup> Session  
41<sup>st</sup> Parliament

Thursday 25 May 2017

### Comité permanent de la justice

Loi de 2017 pour des frais  
d'électricité équitables

2<sup>e</sup> session  
41<sup>e</sup> législature

Jeudi 25 mai 2017

---

Chair: Shafiq Qaadri  
Clerk: Christopher Tyrell

Président : Shafiq Qaadri  
Greffier : Christopher Tyrell



#### **Hansard on the Internet**

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

#### **Le Journal des débats sur Internet**

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

<http://www.ontla.on.ca/>

#### **Index inquiries**

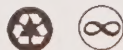
Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7400.

#### **Renseignements sur l'index**

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7400.

---

Hansard Reporting and Interpretation Services  
Room 500, West Wing, Legislative Building  
111 Wellesley Street West, Queen's Park  
Toronto ON M7A 1A2  
Telephone 416-325-7400; fax 416-325-7430  
Published by the Legislative Assembly of Ontario



ISSN 1710-9442

Service du Journal des débats et d'interprétation  
Salle 500, aile ouest, Édifice du Parlement  
111, rue Wellesley ouest, Queen's Park  
Toronto ON M7A 1A2  
Téléphone, 416-325-7400; télécopieur, 416-325-7430  
Publié par l'Assemblée législative de l'Ontario

## CONTENTS

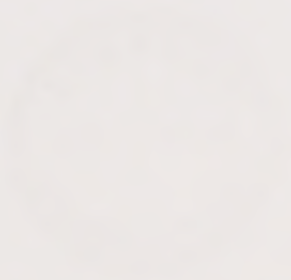
Thursday 25 May 2017

Fair Hydro Act, 2017, Bill 132, Mr. Thibeault / Loi de 2017 pour des frais d'électricité équitables, projet de loi 132, M. Thibeault .....	JP-469
Ontario Landowners Association .....	JP-469
Mr. Guy Annable .....	
Mr. Nick Lizun .....	JP-471
GH Manufacturing .....	JP-473
Ms. Kim Egan .....	
Ontario Landowners Association .....	JP-475
Ms. Elizabeth Marshall .....	
Mr. Mark Winegarden .....	JP-476

# REPORT

## ANNUAL REPORT 1998

The Board of Directors of the Corporation has reviewed the annual report and the financial statements of the Corporation for the year ended December 31, 1998, and has approved the report and the financial statements for release to the public. The report and the financial statements were prepared by the management of the Corporation and are true and correct to the best of their knowledge and belief.



The Board of Directors of the Corporation has reviewed the annual report and the financial statements of the Corporation for the year ended December 31, 1998, and has approved the report and the financial statements for release to the public. The report and the financial statements were prepared by the management of the Corporation and are true and correct to the best of their knowledge and belief.



## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
JUSTICE POLICYCOMITÉ PERMANENT  
DE LA JUSTICE

Thursday 25 May 2017

Jeudi 25 mai 2017

*The committee met at 1001 in committee room 151.*FAIR HYDRO ACT, 2017  
LOI DE 2017 POUR DES FRAIS  
D'ÉLECTRICITÉ ÉQUITABLES

Consideration of the following bill:

Bill 132, An Act to enact the Ontario Fair Hydro Plan Act, 2017 and to make amendments to the Electricity Act, 1998 and the Ontario Energy Board Act, 1998 /  
Projet de loi 132, Loi édictant la Loi de 2017 sur le Plan ontarien pour des frais d'électricité équitables et modifiant la Loi de 1998 sur l'électricité et la Loi de 1998 sur la Commission de l'énergie de l'Ontario.

**Le Président (M. Shafiq Qaadri):** J'appelle à l'ordre cette séance du Comité permanent de la justice. Comme vous le savez, nous sommes ici pour considérer le projet de loi 132, Loi édictant la Loi de 2017 sur le Plan ontarien pour des frais d'électricité équitables et modifiant la Loi de 1998 sur l'électricité et la Loi de 1998 sur la Commission de l'énergie de l'Ontario.

## ONTARIO LANDOWNERS ASSOCIATION

**The Chair (Mr. Shafiq Qaadri):** We have a number of presenters. Our first presenter will come via teleconference: Monsieur Guy Annable. Are you there, Mr. Annable?

**Mr. Guy Annable:** Yes, Chair Qaadri. Thank you very much for this morning.

**The Chair (Mr. Shafiq Qaadri):** Thank you. You will have five minutes in which to make your opening address, followed by a rotation of questions of three minutes each. I invite you to please begin officially now.

**Mr. Guy Annable:** If I may, Chair Qaadri, I'm just going to play this audio recording, as it's required for time and continuity. Here we go.

Mr. Chair, members of the committee and committee staff who have provided me swift access to speak to my government today, I thank you all.

How did we get here? Nine years after the crafting and release of the Green Energy Act and all that green energy could have provided to this province by the use of renewables in our hydro matrix, we have a basic affordability problem. The original FIT and microFIT programs created to contract with successful applicants are still being signed today, and we still continue to forge

ahead in signing these contracts with no abatement, while this committee reviews the remortgaging of our hydro system, as quoted by the Premier in the naming of the fair price hydro plan.

This is the main theme I would like to carry today. If this plan is passed, we still have the same underlying issue: basic affordability of a basic utility for Ontario citizens and business users.

While the green dreams of the original plan may have been commendable and laudable, crafted with good intention for all in this province, it is now clear that the outcome of the original design and burden that are placed especially on rural R1 and R2 residential and business customers has broken the backs of many rural Ontarians. In hundreds of accounts that are too numerous to mention today but need to be recognized and placed on the record—in some cases, since 2009—some ratepayers have incurred an over-300% increase in their monthly Hydro One invoices. Nine years into this policy rollout, it has wrought its worst effects on rural Ontario.

Be it 17% or 25% or 50%, as promised in some rural areas, it is just a number. The damage has already been done, and rural Ontario has been the biggest casualty. Again I ask, how did we get here?

I am not a dirty-coal lover. I am not a person who wants to see our planet possibly affected by the effects of CO<sub>2</sub>, a naturally occurring element that plants and trees use as food. But Ontario has taken this ideology and this mantra of green energy to a degree not seen in any other jurisdiction on this planet. We are here today because of the decisions we made in 2007 and 2009, in foisting the Green Energy Act on the electorate.

Yesterday, on May 23, a report was issued and released by the Financial Accountability Officer. It is really another restatement of "How did we get here?" In this 18-page report, which I'm sure others will detail in their submissions, and like in many Auditor General reports dating back to 2011, the details of the effect of the Green Energy Act and the layers of the hydro regulatory onion would make even a bureaucrat shake their head and say, "How did we get here?"

The FAO report yesterday reminds me of the 17 officers of government who wrote directly to the Premier when the partial sale of Hydro One was being tabled in the Legislature. Each one of them detailed why the sale of Adam Beck's vision and the selling of such a coveted asset was such a bad idea. In fact, 77% of Canadians were polled and felt the same way.



This is not governing for the people and by the people. It will go down in some history books as the largest transfer of wealth from the people of Ontario to the government and private entities that we sold it to. If governing is truly about making choices for its citizens—and when I hear “political will” in the same sentence, I grimace. When it comes to each nightly headline that comes out of Queen’s Park energy circles, the fair price hydro plan cannot be dressed up any differently than the sale of Hydro One or the Green Energy Act itself. One day we have to say enough is enough.

The problem is, as we are told, that nine years into this all-in ideology, we have contractually agreed to 20 years or more, and now 30-year contracts for renewables, in some cases multi-million dollar lawsuits for contracts we did not even sign. The effects of this policy decision will be generational. In 20 years, our kids will look back and say, “What were they thinking? Why did they do this to us? Who allowed them to do it? Why did they not just stop signing the contracts? Why did the leader not stop the carnage instead of continuing it?”

While it is important to honour a contract signed with a sitting government and private interests, it is not acceptable not to even consider stopping the current FIT and microFIT renewable contract process that got Ontario into this mess. Not even to consider or renegotiate the current contracts and simply call this a remortgaging of our hydro system is a complete abdication of your responsibilities to govern for the people and by the people of this once-great province.

I thank you today for the time taken, and I look forward to and encourage any questions from the committee.

Please do right by the children of this province, who did not elect you, and those citizens of the age of majority who did.

**The Chair (Mr. Shafiq Qaadri):** Thank you, Mr. Annable, for your cleverly crafted and expertly timed remarks.

We begin with the PC side. Mr. Yakabuski, three minutes.

**Mr. John Yakabuski:** Thank you, Mr. Annable, for joining us today via teleconference. You covered a fair bit of ground there—not only the current bill before the committee, but also the genesis of the problem. You talked a lot about the rural effect of these electricity decisions. And clearly you referenced the Financial Accountability Officer’s report, so I presume you’ve had a chance to read it. It’s pretty scary when you look at it, as to what the effects could be down the road.

I’m from rural Ontario, as you know. The incomes in rural Ontario are not what they are in other parts of the province. And while this looks like a bit of a break today—or when the bill passes—on the hydro rates, down the road we’re going to pay even more and more, so the people in rural Ontario who have lower incomes are going to be affected relatively more than those with higher incomes.

Does it not look to you that this hydro plan—we’ll talk about the plan, the so-called fair hydro plan. Does it not

look like taking a rusty car and putting a paint job on it? It’s going to look good for a while, but when it really starts to rust out, you’re going to be paying through the teeth. Is the effect of this just going to be catastrophic on rural people?

**Mr. Guy Annable:** Through Chair Qaadri to committee member Yakabuski: You’ve made a couple of good points, John.

A few things: The R1 and R2 residential delivery charges have been incredibly onerous on rural Ontario, as you know. The fact that fair hydro, which means a basic utility for all, should be shared equally—the fact that they redistributed the delivery charges on rural Ontario because of the immense areas they had to cover, was in my view very, very wrong-headed, when the regulatory layers of the onion made their division in the Green Energy Act as to distribution. That has to be changed.

The rusty car analogy: I totally agree with that, because we don’t know if these assets will be there in 30 years. The overarching thing is, I just don’t think it’s the responsibility—I think we’re just taking this and kicking it down the road. You can use any analogy you want, but our grandkids are going to have to pay for it in the essence. I just think that using an analogy of remortgaging your house and putting the cost on future generations—because we need fair hydro for four years, and it’s going to cost us \$24 billion to \$40 billion, depending on the interest rates? Are you kidding me?

**Mr. John Yakabuski:** A big shell game, no?

**Mr. Guy Annable:** A shell game—

**The Chair (Mr. Shafiq Qaadri):** Thank you, Mr. Yakabuski. To the NDP: Mr. Tabuns.

1010

**Mr. Peter Tabuns:** Thank you, Chair, and thank you, Mr. Annable, for joining us today with the teleconference. You made your arguments very clearly in your presentation. I think you answered the questions from Mr. Yakabuski very clearly. I have no further questions. Thank you.

**The Chair (Mr. Shafiq Qaadri):** To the government side: Mr. Potts.

**Mr. Arthur Potts:** Thank you, Mr. Annable, for your comments. I, too, appreciated the technology you used to get yourself in on time—very progressive.

You talk about the financing. A good part of this act, however, is about taking some of the costs associated with social programs like OESP and harmonizing the delivery charges across the province around an average level. Do you not think rural Ontario deserves to have electricity delivered to its door at the same price we get it in urban Ontario?

**Mr. Guy Annable:** Through the Chair, I feel that the same aspects must be taken as in the mail act. It takes me the same cost to ship a piece of mail from one end of the country to the other. The distribution costs, to your point, should be shared across all Ontarians.

The unfortunate point to your question is that we have turned hydro into a social program in this province, because people have to choose between heating or eating,



as with regard to my \$440 a month bill, which used to be about \$190 a few years ago. We're making choices in this province, much like you gentlemen and ladies are making choices to govern. The problem is, our choices are a lot different these days in Ontario.

**Mr. Arthur Potts:** But you do support that aspect of the plan. I guess that's my point. And then secondly—

**Mr. Guy Annable:** Yes, the only thing I don't support—

**Mr. Arthur Potts:** —the fact that we've taken some of these social problems and we've put them, again, on the tax base and not on a borrowing—and it's being done without raising taxes, and it's being done with current revenue streams. So you support the fact that poorer people should have cheaper electricity and that that should be borne as a social program across all our budgets?

**Mr. Guy Annable:** I don't think that we should create more bureaucracy to define who is a social beneficiary of hydro, a basic utility, in this province. So no, I object to that point.

Secondly, I think that it's also unfair that we also negate delivery charges for certain ethnic sections in this province, i.e., our aboriginal people. I feel that's very unfair, and the Premier is causing further division in this province with policy determinations like that.

**Mr. Arthur Potts:** Thank you for your time.

**The Chair (Mr. Shafiq Qaadri):** Thank you, Mr. Potts, and thanks to you, Mr. Annable, not only for your deputiation but also your parliamentary demeanour. Thank you on behalf of the committee.

#### MR. NICK LIZUN

**The Chair (Mr. Shafiq Qaadri):** I next invite our next presenter, Mr. Nick Lizun. Please come forward. You've seen the drill: five minutes of opening address, and please begin once you're seated. Please begin now.

**Mr. Nick Lizun:** Good morning, committee members. My name is Nick Lizun. Thanks for this opportunity to comment on Bill 132, An Act to enact the Ontario Fair Hydro Plan Act, 2017.

I'm a local president. I'm also a millwright of Local 838, representing 1,000 workers in Kitchener-Waterloo, with an average wage of about \$17 an hour. I stand here before you today—well, I'm sitting—to represent myself and my members. We need accountability, we need controls and we need oversight on the out-of-control debt that is being accumulated by Hydro One. We need these to ensure that the taxpayers are not burdened with this debt.

Hydro One has a long-outstanding debt of \$10.523 billion. On average, between 2007 and 2016, this equals about \$1 billion a year. Unless this debt is contained, if it continues to grow at this rate, taxpayers for many decades will continue to be held accountable and responsible for the debt repayment.

As it stands now, \$600 million of this debt is scheduled to be repaid on October 18, 2017, and the debt

repayment stretches out as far as 2064. We need responsible governance to bring the debt under control. We will continue to refinance and restructure this debt, and it just kicks the can down the road for future generations to pay.

Today's government of Ontario is selling off its stake in Hydro One for a short-term gain but a long-term loss. Today's government needs to maintain a majority of control in ownership to correct the wrong that this debt has caused and to relieve the hardships on taxpayers that they have endured.

Financial responsibility and working with the utility companies to reduce the costs is a way forward to reduce this debt. Working with utilities, they could eliminate inefficiencies, duplication and a backward spinning of wheels with idle action. What I mean by that: I've negotiated, where I work, for 16 years, and a lot of times stuff is on the table and it's just meetings, meetings and meetings, and no action is done. So we have to take action on the recommendations that are brought forward.

There needs to be an independent organization responsible for investigating expensive, inflexible private contracts that are now in place. Corrective action is needed to renegotiate, or cancel once they come up for renewal, through the findings of this committee.

Oversupply and the need to sell our oversupply at a discounted price, at a cost that is a burden to the taxpayers, is not right. This issue also needs to be taken up by an independent entity, to come back with concrete actions and answer some of the questions, like "Why?" and "How did we get here?" and "How do we go forward from this point?"

I encourage this committee to incorporate a list of checks and balances in place in this legislation to hold people accountable. We need to control the debt before we can reduce the debt. We need to think of the taxpayers and put them ahead of the debt and look at Bill 132 as the Ontario fair hydro plan. This is a fair plan, so let's make it fairer for all taxpayers.

Thank you for letting me speak before you today.

**The Chair (Mr. Shafiq Qaadri):** Thank you, Mr. Lizun. To the NDP: Mr. Tabuns.

**Mr. Peter Tabuns:** Mr. Lizun, thank you very much for coming in this morning. I appreciate you taking the time and preparing your remarks in advance—all of the things that go into coming before a committee.

As you're probably aware, with the fair hydro plan, after the first decade ratepayers in Ontario will be paying back something like \$40 billion in accumulated interest and debt. Does that worry you, given that you're also worried about the Hydro One debt?

**Mr. Nick Lizun:** Yes, because where does it end, right? It's an accumulation of debt that continues to grow, and my children, my grandchildren—who knows how far down the road? It's going to be a concern if it's not brought under control. How can we control this debt? Yes, it is a real problem.

**Mr. Peter Tabuns:** Are members of your union and people in your community aware that hydro prices will



start to shoot up very rapidly after the four years of reduction?

**Mr. Nick Lizun:** At our last membership meeting, I brought it up in front of our membership, that there's a short-term window where our rates are going to go down to 2% and then escalate up to 10%. But the problem is, for how long? Right?

The members are concerned because they're not making \$40 to \$50 an hour, like some people; they're making \$17 an hour. Just to keep their head above water—it's worrisome in the future.

**Mr. Peter Tabuns:** Okay. I'm assuming that your members today are having a tough time with their hydro bills. Is that fair to say?

**Mr. Nick Lizun:** Yes.

**Mr. Peter Tabuns:** Would you and your membership prefer an approach that dealt with the structural problems in the hydro system, rather than just taking on more debt?

**Mr. Nick Lizun:** Yes. The structural problems: If you don't get that under control, I don't see how you get the debt under control. I think whatever the underlying issues are have to be dealt with, or it just continues to escalate.

**Mr. Peter Tabuns:** I would agree. Thank you very much. I really appreciate your response.

**Mr. Nick Lizun:** Thank you.

**The Chair (Mr. Shafiq Qaadri):** To the government side: Mr. Potts.

**Mr. Arthur Potts:** Thank you, Mr. Lizun. Thank you for coming, and congratulations on being elected president of your local. I've got a lot of respect for people who put themselves out there to represent their community, so good for you for doing that.

I'll pick up on what Mr. Tabuns was saying about the hardship that some of your membership are having with their bills. You would agree that they'd be very appreciative of at least a 25% reduction on their bills as part of a short-term relief, as we then address mid- and long-term solutions to the structure of the hydro plan?

**Mr. Nick Lizun:** Of course everybody likes a reduction, but it's a reduction that is a stopgap measure, in my view. I agree with what you're saying. If there are measures taken through this committee and put into legislation that hold them accountable, if there are going to be some structural differences made to look at those inefficiencies or why we got to where we are today, I would agree with you, yes.

1020

**Mr. Arthur Potts:** Yes, excellent. I'm assuming, as a steelworker, you work for a private company that does a good job of providing goods and services and representing and having fair employee relations and such. I just want to acknowledge that we're talking about the partial privatization of Hydro One. Are you not supportive of the fact that the private sector can deliver goods and services in an effective way and responsibly employ employees in their workforce?

**Mr. Nick Lizun:** That's argumentative. Yes and no.

**Mr. Arthur Potts:** It's partly why we're here.

**Mr. Nick Lizun:** It could be. But if it's left and the government has no say in the matter, then your hands are sort of tied. I know it's the OEB that sets the rates.

**Mr. Arthur Potts:** That's right.

**Mr. Nick Lizun:** Right? But still, if it goes private and the board decides, "You know, we're so far in debt; we're \$30 billion in debt," then I don't see how—that ties the hands of the OEB to say, "Hey, you know what? We have to approve these rate increases." I think something has to be put in place, for whoever is responsible, to make sure that things are done.

I know, where I work, that's the problem. Even though we sit and we have these meetings, it's kicked down the road and nothing's done.

**Mr. Arthur Potts:** Well, keep up the good work. We look forward to seeing you here more often—maybe with the high-speed train that's coming from Waterloo.

**Mr. Nick Lizun:** Oh, yes.

**Mr. Arthur Potts:** Cheers, thank you.

**The Chair (Mr. Shafiq Qaadri):** Thank you, Mr. Potts.

"Argumentative." I'm going to have to remember that word.

Mr. Yakabuski.

**Mr. John Yakabuski:** Thank you very much, Mr. Lizun, for coming to join us today. That high-speed transit will probably get here about the time we pay off this new debt. That's another election—

**Mr. Peter Tabuns:** You're an optimist.

**Mr. John Yakabuski:** Yes, I'm an optimist.

You talked about a lot of things and you talked about the structural issues, and I appreciate Mr. Tabuns raising it as well. You talked about the spilling of hydro, the selling of electricity at zero or below cost. Nothing that is in this plan addresses any of that. This is simply a refinancing plan.

When you're struggling to pay a hydro bill, who is not going to say, "Yes, I'm happy to take the 25% discount"? They're hoping against hope that somehow the future is going to be brighter because they're having trouble paying that bill today. Is that not correct?

**Mr. Nick Lizun:** Yes, yes. It's similar to saying, "I'm going to give you \$1 raise." I like that, but tomorrow I want another dollar, because it's a short-term gain and your memory is short; right?

**Mr. John Yakabuski:** The bills down the road—this 25% decrease, which is going to happen whenever they pass this bill, is going to be for a very short period of time. Your members who are struggling, when they've got another \$45 billion, according to the Financial Accountability Officer—and the Auditor General is going to take another look at this as well because she's very concerned about the shell game, which she called it, that the government is playing here.

Your members are going to be faced with much greater hardship down the road, even though today it looks like a bonus. If they really understood—because it's complicated to clearly understand what this is going to mean to them, your younger hires or to the children or



grandchildren of those who are getting close to retirement themselves. If they had a choice, would they rather not put that debt onto the next generation?

**Mr. Nick Lizun:** For sure, for sure. We have to get that under control; otherwise, that debt will never go down.

**Mr. John Yakabuski:** They're taking the house and they're putting some new siding on it, but ignoring the fact that the foundation is crumbling. They're making no structural repairs and hoping that somehow the house continues to stand. Is that a pretty fair analogy?

**Mr. Nick Lizun:** That's a good analogy, yes. Structurally, you have to do something to enforce the foundation or, like you said, the whole system—

**Mr. John Yakabuski:** Of all the shell games that this government has played in the last 14 years, do you think this is the most cynical example yet?

**The Chair (Mr. Shafiq Qaadri):** Thirty seconds.

**Mr. Nick Lizun:** I'm not—

**Mr. John Yakabuski:** I know. There are so many.

**Mr. Nick Lizun:** I'm not a politician.

**Mr. Arthur Potts:** Which ones are you referring to?

**Mr. John Yakabuski:** There are so many. I know it's hard to pick.

**Mr. Nick Lizun:** I know, I know. But this one is something that keeps on creeping up and up and up. Like, where does it end? There's probably many more, like you said, but, you know—

**The Chair (Mr. Shafiq Qaadri):** Thank you, Mr. Yakabuski, and thanks to you, Mr. Lizun.

## GH MANUFACTURING

**The Chair (Mr. Shafiq Qaadri):** We'll now invite our next presenter—also, I understand, by teleconference: Ms. Egan, executive VP and chief financial officer of GH Manufacturing.

You're there, Ms. Egan?

**Ms. Kim Egan:** I am, thank you.

**The Chair (Mr. Shafiq Qaadri):** Great. You have five minutes for your opening address, and then questions by rotation. Please begin now.

**Ms. Kim Egan:** Thank you for providing me with the opportunity to speak this morning. I'm sorry that I'm not more prepared, but I only found out yesterday afternoon that I'm on your packed agenda. Perhaps I'm filling the place of a last-minute cancellation, but, really, it matters not. I'm happy to have this opportunity.

Today I'm representing GH Manufacturing and our employees' interests and those of my family. We're a small/medium enterprise located in Belleville, Ontario, and we're part of the rural Ontario that is really struggling. High hydro costs and housing costs, not enough affordable housing, poor infrastructure, are just a few of the things that we are struggling with on a daily basis.

Our company provides contract packaging and converting services to a global consumer packaged goods company. We run a two-shift operation, from 7 a.m. until midnight.

While our equipment and processes are not highly energy-dependent, our hydro costs have increased substantially over the 17 years we've been in business. The biggest impact continues to come from the global adjustment factor, which is often referred to, by those customers who are paying it, as "the slush fund." We're now paying approximately \$10,000 a month for the global adjustment factor, whereas the actual cost of hydro used is only approximately \$4,000 a month. We've gone, in seven years, from a bill of \$5,000 a month for hydro to over \$14,000.

This month's bill is one of the lowest yet, at \$11,000. Of this, the actual cost of electricity is only \$1,200. The global adjustment factor is a whopping \$5,400, which is four and a half times the cost of the electricity.

No one understands this global adjustment factor. I have, on numerous occasions, tried to find out exactly what is included in the cost, but cannot find anyone who can provide the level of detail that I'm looking for. I often get a lot of verbal explanations. I understand what the global adjustment factor is, in theory, but no one is able to give me the details I'm looking for. I've had books thrown at me; I've had articles to read sent my way, but I honestly don't have the time or energy to take up this understanding of what the global adjustment factor is.

To continue breaking down our bill from this month: The debt retirement charge is \$523, and the wholesale market services fee is \$533. As I understand it, the wholesale market service charge is to pay for there to be annoying wholesale marketers out there who continuously bother us through email and phone calls, trying to get us to commit to ridiculous contracts. When I do a quick investigation of who these wholesalers are, it seems that they're not only proliferating in Ontario, but they're actually quite profitable.

Back to the global adjustment factor, just for a minute: While our numbers seem very small, one of our neighbours in the local industrial park was quoted recently as paying \$50,000 a month for hydro and a whopping \$450,000 a month for the global adjustment factor. This does make our numbers pale in comparison. The business and the business model that our neighbour is facing are very different. The issues, however, are all the same.

Companies cannot and will not continue to sustain these costs. They're costs that have no rationale and no asset attached to them. Once companies start to make decisions to leave a community or start up cogeneration facilities or move to gas turbines, it's going to hurt those who are left behind even more.

Companies won't come to the government asking for approval to shutter and move their facilities. They'll simply announce their plans and advise the various levels of government of their decisions and the impact that it will have on the communities. We just saw that yesterday, with Procter and Gamble Brockville announcing that they will be closing in one to four years.

Among the very top concerns today for all residents and businesses in Ontario, I continue to hear, is hydro.



It's a huge concern for industry—not only for the rising costs of hydro in our budgets, but also for our employees, suppliers and anyone else who is living in Ontario.

The Ontario energy system is truly broken. It and all levels of the energy sector need to be broken down and rebuilt with common sense and a sound, sustainable business strategy. You cannot continue to ask industries to conserve and then charge them premiums, under the global adjustment factor, for not consuming enough electricity and costing the utility companies money, as they sell excess and unused capacity to our neighbours. These very neighbours are the ones who are luring us and the other businesses in Ontario to move to their provinces and states. We continue to get flyers from our neighbours in New York state, which is not far. They continue to market with their lower hydro costs, lower property taxes, lower state taxes.

1030

This hydro problem does not belong to the province alone—

**The Chair (Mr. Shafiq Qaadri):** Thank you, Ms. Egan. That's the five-minute opening address. Now I'll pass you to the government side.

Mr. Potts.

**Mr. Arthur Potts:** Thanks, Ms. Egan. I very much appreciate you calling in. You've given an excellent description of the challenges you're facing. I'm on the government side here, just so you know. We appreciate very much the efforts you make to employ people in the community and to assist the GDP development in this province. We want to do everything we can to make sure that you are supported and successful in the area. I appreciate some of the challenges you've outlined.

Have you had, as a business, an opportunity to review the Industrial Conservation Initiative? Would you qualify for it? Do you use more than the global demand of 500 kilowatt hours in a year?

**Ms. Kim Egan:** We've investigated that, and we have done things in the plant, but the less energy we use, the more our global adjustment factor increases.

**Mr. Arthur Potts:** I appreciate that. One of the challenges is that a lot of the conservation has been so successful that there's a lot of stranded generation, which does drive up the global adjustment. Part of the medium-term plan will be to rectify some of those shortcomings.

But for now, you are working with the Industrial Conservation Initiative—you've had a chance to work with Hydro One to find ways, and you can reduce your bills?

**Ms. Kim Egan:** We're a Veridian customer, so the Hydro One initiative does not apply to us.

**Mr. Arthur Potts:** All right. But Veridian is also administering these programs. I'm assuming you've got good relationships there.

If you want some more information on how the global adjustment works, I would certainly be prepared to commit to assist you in getting that understanding, and your local member, Todd Smith, would probably do the same. I would encourage you to get in touch with Mr.

Smith. Or I'll be happy to assist you. My name is Arthur Potts.

**Ms. Kim Egan:** Thank you, Arthur.

**Mr. Arthur Potts:** It's my pleasure.

**The Chair (Mr. Shafiq Qaadri):** To the PC side: Mr. Pettapiece.

**Mr. Randy Pettapiece:** Good morning. I've had a couple of stories in my riding about conservation efforts being put in place in businesses, and they did reduce their electricity costs or their electricity usage, and their bills went up. I understand you went through those same things.

**Ms. Kim Egan:** Absolutely.

**Mr. Randy Pettapiece:** What was the explanation they gave you?

**Ms. Kim Egan:** Well, that's what it is—we're conserving electricity, so we're using less electricity. But that's not helpful on the bill.

**Mr. Randy Pettapiece:** I understand that. But why did they tell you your rates went up?

**Ms. Kim Egan:** They didn't, really. They went into this plethora of—explaining all this stuff, and lost me in the meantime. I'm not stupid. I'm a CFO, so I think I can understand financials, but it honestly doesn't make any sense.

**Mr. Randy Pettapiece:** That's what we've been running into. We've been having quite a time trying to get a definition of the global adjustment too, so you're not alone in that.

There was some sad news—and you spoke about it today—about the Procter and Gamble plant closing in Brockville.

Do you have a handle, in your area, on companies that are talking about moving?

**Ms. Kim Egan:** I'll tell you, when people speak out about hydro and they suddenly go silent, those are the people who are looking at doing something, and there are a number of people in our community who are doing exactly that.

**Mr. Randy Pettapiece:** And it's mostly due to electricity costs?

**Ms. Kim Egan:** Well, going back to the example: If you have a \$450,000 global adjustment factor every month, it doesn't take long to figure out how many months it would take you to move your plant and pay that back if you no longer had that. There's no asset attached to that.

**Mr. Randy Pettapiece:** In your opinion, the fair hydro plan that's being proposed—how will that help your business?

**Ms. Kim Egan:** It's ridiculous. It won't help at all. It won't help one person in Ontario. It certainly won't help our business.

**Mr. Randy Pettapiece:** Do you have any reasons to come to that conclusion?

**Ms. Kim Egan:** Well, I just read the CBC article today that said ratepayers are going to save \$24 billion but it's going to cost \$45 billion. This is nothing more than going to a payday loan shark and getting \$20 today



and trying to pay it back on Friday, and you have a bill for \$120.

**Mr. Randy Pettapiece:** That's quite an analogy. I hadn't thought of that. It was very good.

Jack, do you have any—

**Mr. John Yakabuski:** Kim, thank you very much for joining us today. It's John Yakabuski. I appreciate you bringing these kinds of stories. We hear about them all the time across Ontario, where the government puts one pretty face out there, or tries to paint a pretty picture, saying, "We're doing all these things to help businesses," but whenever we talk to somebody who's actually in the business and on the ground, we hear completely different—

**The Chair (Mr. Shafiq Qaadri):** Thank you, Mr. Yakabuski. To Mr. Tabuns, of the NDP.

**Mr. Peter Tabuns:** Ms. Egan, thank you very much for joining us this morning. I appreciate what you had to set out for us. Can I just follow up on a question that Mr. Pettapiece was asking? When you reduce your energy consumption, is there an increase in the bill for your operation, or are you seeing an increase overall in hydro rates?

**Ms. Kim Egan:** No, we're seeing a direct correlation to the increase in the cost of our bill, based on the reduced kilowatt hour usage.

**Mr. Peter Tabuns:** I'm sorry, but I'm a bit puzzled by that. I'm not questioning what you're telling me. I'm just trying to understand what you're telling me. They actually increase the rate that you're charged if you use a lower volume?

**Ms. Kim Egan:** Well, you have to look at all the different rates we're charged, right? The cost of the electricity per kilowatt hour may go down, but the total bill is going up because of the global adjustment factor and all of the other additional charges that are on there.

**Mr. Peter Tabuns:** Okay. I'm going to have to investigate that one further.

You have already said—and I think you were pretty explicit—that this large-scale borrowing of funds to pay current bills is not going to help you or anyone else in this province. Is that an opinion that's widely shared in your community?

**Ms. Kim Egan:** Well, I'm going to tell you right now that I think most Ontarians don't understand what's going on with this bill. A lot don't even know it's out there. But any reasonable business person will tell you that this is nothing more than a sham, and it's not an asset. I read Bill 132 in detail. There's no asset there.

**Mr. Peter Tabuns:** No, I agree. There is no asset. When I hear the government saying that this is akin to a mortgage, I always say that with a mortgage, when you pay it off, you own something at the end.

**Ms. Kim Egan:** You have a house, yes. That's right.

**Mr. Peter Tabuns:** We will own nothing. We're just amortizing the rent over a long period. That's it, and nothing more.

**Ms. Kim Egan:** Right.

**Mr. Peter Tabuns:** I don't have further questions. Again, I want to thank you for taking the time to speak to us this morning. It has been very useful.

**Ms. Kim Egan:** You're welcome.

**The Chair (Mr. Shafiq Qaadri):** Thank you, Mr. Tabuns, and thanks to you, Ms. Egan, for your deputation via teleconference.

**Ms. Kim Egan:** Thanks very much.

**The Chair (Mr. Shafiq Qaadri):** Is Mr. Mark Winegarden present yet? If not, we are in recess until 11 a.m.

*The committee recessed from 1038 to 1100.*

## ONTARIO LANDOWNERS ASSOCIATION

**The Chair (Mr. Shafiq Qaadri):** Thank you, colleagues. We reconvene. We'll move immediately to Ms. Elizabeth Marshall of the Ontario Landowners Association, who is with us via teleconference.

Ms. Marshall, are you there? Ms. Marshall?

**Ms. Elizabeth Marshall:** Yes?

**The Chair (Mr. Shafiq Qaadri):** You have five minutes to make your introductory address. Please begin now.

**Ms. Elizabeth Marshall:** Good morning, and thank you, Mr. Chair. My name is Elizabeth Marshall. I am not a lawyer and I do not give legal advice, but I am a legal researcher for Green and Associates law offices and have had my research used by other law firms.

I'm the director of research for the Ontario Landowners Association and do legislative research for MPs, MPPs and municipal officials. I'm an author of various reports and articles, and I have a book in its second edition. In May 2012, I was elected to the board of directors of the Canadian Justice Review Board, and in 2014, I was appointed to the steering committee of the International Property Rights Association.

There seems to be some confusion and/or misinterpretation by government and the Ministry of Energy of the Electricity Act. The purpose of the act, in section 1, states that the government and ministry are to ensure the "reliability of electricity supply in Ontario through responsible planning and management...;

"to protect the interests of consumers with respect to prices...;

"to promote economic efficiency and sustainability in the generation, transmission, distribution and sale of electricity; and....

"to ensure that Ontario Hydro's debt is repaid in a prudent manner and that the burden of debt repayment is fairly distributed...."

If, after the committee, the purpose of the act is amended and/or changed, it may direct one into thinking that government is not working in the best interests of the people, and government would be operating in bad faith, wouldn't it?

Under the purpose of the act, there is the fiduciary duty of government to protect the interests of consumers with respect to prices, and to promote economic efficiency and sustainability in the generation, transmission,

distribution and sale of electricity. Is allowing electricity pricing to skyrocket, and implementing uneven payment of this enormous debt, a prudent plan to ensure that the burden of debt repayment is fairly distributed? Does this violate the government's and ministry's fiduciary duty to the people of Ontario, considering the purposes of the act?

With the report from the Financial Accountability Officer, it would seem there has been and continues to be mismanagement in the Ministry of Energy—as Ontario Hydro's debt is to be repaid in a prudent manner and that the burden of debt repayment is fairly distributed.

The purpose continues, that the government is to ensure responsible planning and management of electricity, yet there are six separate corporations being questionably operated under this act, increasing the costs of administration and adding to the burden of the cost of electricity.

That being said, is it not another violation of the fiduciary duty of the minister? Are the numerous renewable energy contracts, and the agreement between the government and the Korean consortium, leading to an even greater mismanagement of Ontario's financial well-being, with the onus on government to be fiscally prudent? Does this mismanagement violate the purpose of the act, and is it bad governance that equates to the violation of the government's fiduciary duties to the people of Ontario?

Perhaps it is time for government to cancel all past, present and future contracts for renewable energy projects; amalgamate at least five of the entities stated in the act; cancel the Samsung Korean consortium agreement; and, in light of the purpose of the act, uphold government's fiduciary duties to the people of Ontario.

Thank you.

**The Chair (Mr. Shafiq Qaadri):** Thank you, Ms. Marshall. We begin with the Progressive Conservative side. Mr. Pettapiece.

**Mr. Randy Pettapiece:** Thanks, Ms. Marshall, for your deputation this morning. You covered quite a lot.

The government has introduced this act called the Fair Hydro Act. Can you give me just a brief overview of what, in your opinion, this act does for you?

**Ms. Elizabeth Marshall:** Unfortunately, it spreads the cost of electricity and makes it unevenly distributed to future generations. The onus should not be on the future generations for the mismanagement of the electricity file as it is today.

**Mr. Randy Pettapiece:** Okay. The government has said that you're going to receive a reduction in hydro rates if this act is passed. Does that not make you feel better?

**Ms. Elizabeth Marshall:** Well, there shouldn't be the debt in the first place. Secondly, it's going to be, what, for four years? So then we will be having increases again on our electricity bills. When you look forward to future generations, it is not our duty or our responsibility to be placing that type of onus on future generations. That is mismanagement, and it is a violation of a fiduciary duty.

**Mr. Randy Pettapiece:** Okay. You say in four years, and that's pretty much what this does: We're going to get higher rates in four years. Do you see any solutions that we could work on or that should be worked on to mitigate those increases?

**Ms. Elizabeth Marshall:** It is my opinion that, due to the renewable energy projects and the costs that we are paying now, those contracts should either be renegotiated or cancelled. I find that, having had Ontario and Canada be before the World Trade Organization courts in regard to the 2009-10 contract, there is a lack of responsibility in regard to these contracts. Unless those contracts are removed, we are going to be looking at the same debts over and over, and they will increase based on the fact that, if there is any unbalanced budget, the percentage will go up.

**Mr. Randy Pettapiece:** Removing contracts can be a dangerous process. Have you seen these contracts? Do you think there's any way of doing that?

**Ms. Elizabeth Marshall:** Well, I'm basing this on the fact that, when you look at the Samsung Korean consortium contract, the majority of these contracts are based on an affiliation with a monopoly, and we have, on the committee, four members from the Korean consortium as advisers.

**Mr. Randy Pettapiece:** Thanks, Ms. Marshall.

**The Chair (Mr. Shafiq Qaadri):** Thank you, Mr. Pettapiece. To the NDP: Mr. Tabuns.

**Mr. Peter Tabuns:** Ms. Marshall, I want to thank you for attending this morning's committee meeting. I think you were very clear in your arguments. I have no further questions. I'll turn it back to the Chair.

**The Chair (Mr. Shafiq Qaadri):** Thank you, Mr. Tabuns. To the government side: Mr. Potts.

**Mr. Arthur Potts:** Yes, likewise, Ms. Marshall. I appreciate very much you participating in these proceedings. I appreciate your concerns, and I have no further questions.

**The Chair (Mr. Shafiq Qaadri):** Thank you, Mr. Potts, and thanks to you, Ms. Marshall, for your deputation for the Ontario Landowners Association.

Our next presenter is still to arrive. I'm going to accommodate him for reasons that will become clear once he's here. I guess we'll take a five- or possibly 10-minute recess or so.

*The committee recessed from 1107 to 1121.*

MR. MARK WINEGARDEN

**The Chair (Mr. Shafiq Qaadri):** Thank you, colleagues. We're back in session.

Welcome, Mr. Winegarden. You have five minutes to make an opening address, followed by questions in rotation. Please begin now.

**Mr. Mark Winegarden:** Thank you. Five minutes—boy, it's really going to feel like a Rick Mercer rant, but here I go.

I'd like to thank the committee for allowing me the opportunity to speak today. My name is Mark Winegarden, and I drove down this morning from Wasaga Beach.



My presence here today at this committee is a testament to the changing environment regarding public awareness of political activity in Ontario. I have never been involved in anything political in my life, but hydro has changed that. I was injured in the line of duty in 2008, while working as a paramedic, and I'm now retired, with lots of time on my hands.

Wasaga Beach is no different than any other city or town in Ontario, and the people in these communities are more and more feeling ignored by some of our political representatives. Approximately one year ago, I became involved with a group of people who are trying to prevent the sale of our local hydro distribution company.

I'd like to share an observation regarding the actions of my new friends during the past year. It's all about the type of people who are getting involved. We have 60-, 70-, 80-year-old men and women who have never picked up a protest sign, have never phoned a friend about politics. They have never put a lawn sign on their front yard during an election. These people are now standing on street corners, waving signs, walking through their neighbourhoods, getting people to sign petitions, and attending meetings several times a week to try and influence the outcome of political decisions. The hydro situation in Ontario has, in my opinion, created a political awakening throughout the province.

Yesterday we had a large meeting in our new main auditorium, where over 700 people attended and listened to seven panel members, who are all respected and knowledgeable people in the electrical sector. Some have spoken before this committee. The audience was filled with people like myself, people who have always been referred to as "the great unwashed." One of the panel members commented that hydro in Ontario has become what language is in Quebec.

The passion that exists in Ontario—this awakening that I mentioned—is caused by a consistent feeling, in people like myself, of being ignored. The people getting involved today are ordinary, common people who talk to their neighbours, who sit around the kitchen table talking about the problems of the day.

If we hear about a neighbour who is refinancing their home and extending the period of their amortization, we feel bad for them. Out of respect, we may not mention it, but we'll use that example to try to teach our children to pay off their debt as early as they can in life.

So when we see our provincial government doing the very things that make us uncomfortable at home, it makes us want to get involved. When we see our government selling off assets that we feel should continue to be run by the people of this province, it makes us want to get involved. When we see the government try to push any legislation through quickly, without detailed consideration, we want to get involved.

I'm not saying that in this case there hasn't been detailed consideration, but as the families sitting around the kitchen table, when we hear about leaked reports and incomplete information, these concerns raise red flags in our homes, as they should in all of yours.

Is Bill 132 being rushed through? Is there enough consideration being given? Years ago, we would wait to hear about it in the newspaper, but today we're in a different world. We hear about things daily through social media and Internet news feeds that give us information the moment somebody decides to share it.

So that kitchen table discussion I referred to earlier is shaped by the actions of the day, not the press releases that well-planned-out communications specialists put together. The information we, as the great unwashed, receive now on a daily basis is raw, often unfiltered, and our reactions are exactly the same.

We do not want our public utilities sold. It frustrates us that it will continue to happen regardless of our wishes. That alone is creating a changing tide of political awareness in the province of Ontario. In fact, it's happening throughout the world.

I would ask each member of our provincial government to think about all of the discussions happening around those various kitchen tables in their communities. Think about the information that's feeding those conversations and then you'll understand the frustration that ordinary people like myself are experiencing. That frustration drives us to become involved. That's why I'm here today.

Please listen to the people of Ontario. Rethink this legislation. We do not want our grandchildren paying for the mistakes we, the silent majority, have allowed our elected representatives to make in the past. We are here now. We want our voices to matter. Please rethink the entire hydro portfolio. Stop selling our prime assets. Take back our public utilities. Thank you.

I think that was three seconds within the time limit.

**The Chair (Mr. Shafiq Qaadri):** Six. Thank you.

Mr. Tabuns of the NDP.

**Mr. Peter Tabuns:** Mr. Winegarden, first of all, thank you for taking the trip down here today. It's not the best driving weather we've ever seen.

**Mr. Mark Winegarden:** No.

**Mr. Peter Tabuns:** Going to your remarks: Would you say that a majority of your neighbours, friends and your community are opposed to the sale of Hydro One?

**Mr. Mark Winegarden:** Absolutely, sir.

**Mr. Peter Tabuns:** And they're worried about its impact on our hydro bills?

**Mr. Mark Winegarden:** They're worried about the impact on their lives. The hydro bill is just one part of what we struggle with daily. So yes, and it's a very high percentage.

**Mr. Peter Tabuns:** The bill that's before us will reduce hydro rates for about four years, and then they'll start going up very sharply. Then we will be stuck with a repayment that's going to be very substantial for people in Ontario. Would you say that in your community, people understand that this is going to be very short-term gain for very long-term pain?

**Mr. Mark Winegarden:** My father is 84 years old. His last hydro bill was only \$7.98 because of some of the rebates and the things he's applied for. He said, "Mark, I



can afford to pay my bills, but I'm worried about our grandchildren." That was his comment. He's 84 now, and he's worried about the future because of the short-term gain. That's what we talk about at the kitchen table.

In the next election, we can buy whatever votes we want by implementing whatever legislation we want, but we have to pay for that for generations to come. I think that's what's happening now. We're taking these things longer and longer into the future in order to make it more palatable today. It's awful. We're talking about it everywhere.

**Mr. Peter Tabuns:** I don't know if you're aware of the Financial Accountability Officer's report yesterday. Did you have a chance—

**Mr. Mark Winegarden:** No. I was pretty busy in Wasaga Beach. We had a large meeting going on there.

**Mr. Peter Tabuns:** Fair enough. He looks at this plan and notes the large debt hangover that we'll have from these four years of lower prices. He also notes that there is some odd accounting in this whole thing. I don't know if you're familiar with that. If the government of Ontario borrowed the money to reduce hydro rates just as they borrow money for all kinds of other things, we would be spending \$4 billion less in interest than following the prescription that's enclosed in this bill. I'm assuming that people don't see the utility—

**The Chair (Mr. Shafiq Qaadri):** Thirty seconds.

**Mr. Peter Tabuns:** —in being stuck with \$4 billion more debt just to make the books look better.

**Mr. Mark Winegarden:** No. In fact, the people who I'm discussing things with see the lack of information that's being fed to them, as far as detailed reports, as an insult to our ability to absorb that and consider it.

**Mr. Peter Tabuns:** Okay. Thank you very much. Again, I really appreciate you taking the time.

**The Chair (Mr. Shafiq Qaadri):** Thank you, Mr. Tabuns. To the government side: Mr. Potts.

**Mr. Arthur Potts:** Thank you, Chair, and thank you, Mr. Winegarden, for coming in and making the drive in from Wasaga.

I'm particularly interested in your comment about the conversation—because I think it's an important conversation that we can have, a conversation that has been pretty much ignored for the last two generations. I noted that in your comments you talk about, "Don't make future generations pay for the mistakes of our past generations."

I think it was clear to everybody in the messaging that we were hearing across Ontario that because of the investments in the infrastructure, bills were too high and immediate relief was necessary. So this is intended as a short-term relief program to get people back on a stable footing, with then middle- and longer-term relief into fixing the system. Mr. Tabuns is speculating about what will happen four years from now and what the increase will be.

1130

If there are significant changes made to the structural problems in the system, would that come as relief to you?

**Mr. Mark Winegarden:** Well, no, I don't think it would—because more and more today, you have people sitting back and looking at the entire picture, not just a particular aspect of what's being presented to us.

We all have mortgages. We pay them as fast as we can, or we stretch it out if we have other priorities. But we look at the whole picture; we don't just look at what makes it look good so that our spouse says, "Oh, yes, we can do that."

We look at the entire picture when we're having our conversations in a community, and when we look at the entire picture, our biggest concern is the long-term ramifications. When we hear things like, "We're going to save money here; we're going to save money there," the first thing that most people think about is, where is the money coming from? What will be the long-term effect of that? And a lot of things that are happening right now don't make sense to us.

If we hear that we're going to start this program, which will save either individuals or certain pockets of the population money, but then at the same time, we hear that this is being privatized and other people are going to make money, it doesn't add up to us.

**Mr. Arthur Potts:** And what's happening in Wasaga Beach with respect to your local distribution company? Currently, who is it, and they're looking to amalgamate with—was it Hydro One?

**Mr. Mark Winegarden:** No, what happened is our council asked our board of directors of our LDC to look at options. One of the options that they're considering is to sell the local distribution company. Probably about 95% or more of our population are saying, "No, don't do that. We want to rethink."

**Mr. Arthur Potts:** Are there a lot of gas companies in your community to heat homes and such which are privately held?

**Mr. Mark Winegarden:** Sure.

**Mr. Arthur Potts:** Would it come as a surprise to you that most transmission companies and district utilities are already private in Ontario?

**Mr. Mark Winegarden:** No surprise whatsoever. But we have one of the highest-rated local distribution companies in Ontario. We're profitable. There is no common sense—

**The Chair (Mr. Shafiq Qaadri):** Thank you, Mr. Potts. To the PC side: Mr. Yakabuski.

**Mr. John Yakabuski:** Thank you very much, Mr. Winegarden, for joining us today and making that trip through the perfect driving conditions.

Mr. Potts talked about structural changes as if, somehow, they were contemplating them. We've been talking to them about structural changes since they brought in the Green Energy Act in 2009, and nothing—essentially nothing—has been done. They reworked the Samsung contract from being an absolutely, brutally terrible contract to being just a terrible contract.

There is nothing in this bill that makes any changes to the hydro system. All it does is take that amount of money that they're going to give to the people in the



short term—essentially to get by the 2018 election—and make you pay later.

You said that you're a father; I'm no different than you. My father and my mother, my parents, wanted a better life for their children than they had. We want a better life for our children and grandchildren than we had. I've never contemplated leaving debt to my children or grandchildren. But that's exactly what this government is doing by their fudging the numbers and playing games—a shell game—with financing the debt that they've run up because of their bad electricity decisions. And now, at the eleventh hour, they want to somewhat tell you, "Look at the break you're getting on your hydro bills."

After the election, you know—according to the FAO and the Auditor General—your bills are going to go up substantially. If you were a CFO running a company, is that the way you'd do your business?

**Mr. Mark Winegarden:** Well, sir, the biggest observation in regard to that is that you're right: At the kitchen table conversations I talked about, we do talk about our children, we talk about the future, and we talk about the CFOs and the presidents and so on, and what decisions they should be making for our children. The bottom line is, it's not after the election that we should be worried about; it's before the election. Two years ago—and this

is really important—what I knew about hydro is that I turned off and on the switch, and I paid the bill when it came in the mail, and I paid it every month.

Now I look at my bill. Now I listen to people like yourself, I listen to people like Mr. Potts, I listen to people like Mr. Tabuns, and I try to analyze it.

**The Chair (Mr. Shafiq Qaadri):** Thirty seconds.

**Mr. Mark Winegarden:** If it doesn't make sense, then for the first time in my 57 years on this planet, I get down to Queen's Park and I try and let my voice be heard. I've never done this before.

There are thousands of people in my community who feel the same way. We have 20,000 people in Wasaga Beach. There are 3,900 lawn signs out there. We have 8,000 signatures, trying to stop the privatization of our utility. That's a significant representation.

**Mr. John Yakabuski:** We appreciate you coming here and making your voice heard. Thank you.

**The Chair (Mr. Shafiq Qaadri):** Thank you, Mr. Yakabuski, and thanks to you, Mr. Winegarden, for your deputation and for battling traffic and the parking.

Our deadline for amendments is 6 p.m. today. Committee will be meeting again on Monday at 1 p.m. in the better room. Committee is adjourned.

*The committee adjourned at 1135.*

3 1761 11467277 7

## **STANDING COMMITTEE ON JUSTICE POLICY**

### **Chair / Président**

Mr. Shafiq Qaadri (Etobicoke North / Etobicoke-Nord L)

### **Vice-Chair / Vice-Président**

Mr. Lorenzo Berardinetti (Scarborough Southwest / Scarborough-Sud-Ouest L)

Mr. Lorenzo Berardinetti (Scarborough Southwest / Scarborough-Sud-Ouest L)

Mr. Mike Colle (Eglinton–Lawrence L)

M<sup>me</sup> Nathalie Des Rosiers (Ottawa–Vanier L)

Mr. Jim McDonell (Stormont–Dundas–South Glengarry PC)

Mr. Arthur Potts (Beaches–East York L)

Mr. Shafiq Qaadri (Etobicoke North / Etobicoke-Nord L)

Miss Monique Taylor (Hamilton Mountain ND)

Ms. Daiene Vernile (Kitchener Centre / Kitchener-Centre L)

Mr. Bill Walker (Bruce–Grey–Owen Sound PC)

### **Substitutions / Membres remplaçants**

Mr. Randy Pettapiece (Perth–Wellington PC)

Mr. Peter Tabuns (Toronto–Danforth ND)

Ms. Soo Wong (Scarborough–Agincourt L)

Mr. John Yakabuski (Renfrew–Nipissing–Pembroke PC)

### **Clerk / Greffier**

Mr. Christopher Tyrell

### **Staff / Personnel**

Mr. Andrew McNaught, research officer,  
Research Services